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SERVICE DATE – SEPTEMBER 28, 2005

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34725]

Mid-Michigan Railroad, Inc.—Lease and Operation Exemption—CSX
Transportation, Inc.

The Mid-Michigan Railroad, Inc. (MMRR), a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41, et seq., to lease from CSX Transportation, Inc. (CSXT) and operate about 48 miles of railroad between: (1) milepost CGC 34.5, in West Olive, MI, and milepost CGC 62.1, in Berry Station, MI; and (2) milepost CGD 0.0, in Berry Station, and milepost CGD 19.98¹, in Fremont, MI.²

MMRR certifies that its projected revenues as a result of this transaction will not result in the creation of a Class II or Class I rail carrier. Because MMRR's projected annual revenues will exceed \$5 million, MMRR has certified to the Board on July 8, 2005, that the required notice of the transaction was posted at the workplace of the

¹ According to MMRR, the labor notice provided pursuant to 49 CFR 1150.42(e) indicated that the milepost at the end of the line in Fremont was CGD 19.6. MMRR has been advised by CSXT that milepost CGD 19.6 is used to signify the end of the line for operating purposes, but that the end of the line is actually milepost CGD 19.98. Therefore, MMRR and CSXT have amended all of their agreements to reflect the milepost for the end of the line in Fremont as CGD 19.98. MMRR states that the intent of the parties has always been that the lease extend to the end of the line and therefore no additional CSXT employees will be affected by the change of milepost.

² MMRR indicates that an agreement will be reached between it and CSXT prior to consummation.

employees on the affected line on July 8, 2005, and was sent to the national offices of the labor unions representing employees on the line. See 49 CFR 1150.42(e).

The transaction was scheduled to be consummated on September 9, 2005, the effective date of the exemption (which is more than 60 days after MMRR's certification to the Board that it had complied with the Board's rule at 49 CFR 1150.42(e)).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34725, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Louis E. Gitomer, Esq., Ball Janik LLP, 1455 F Street, NW, Suite 225, Washington, DC 20005.

Board decisions and notices are available on our website at
"WWW.STB.DOT.GOV."

Decided: September 20, 2005.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary